

**Registered number: 04946116**  
**Charity number: 1103251**

**DONTCHEV FOUNDATION**

**CONSOLIDATED FINANCIAL  
STATEMENTS**

**PERIOD FROM 1 NOVEMBER 2022  
TO 31 DECEMBER 2023**

**LUBBOCK FINE LLP**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**CONTENTS**

---

	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 6
<b>Independent Auditors' Report on the Financial Statements</b>	7 - 10
<b>Consolidated Statement of Financial Activities</b>	11
<b>Consolidated Balance Sheet</b>	12 - 13
<b>Charity Balance Sheet</b>	14
<b>Consolidated Statement of Cash Flows</b>	15
<b>Notes to the Financial Statements</b>	16 - 44

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

<b>Trustees</b>	S G Dontchev I V Manoilov P Dontchev Y L Djonev (appointed 11 February 2024)
<b>Company registered number</b>	04946116
<b>Charity registered number</b>	1103251
<b>Registered office</b>	4 Hill Street London W1J 5NE
<b>Company secretary</b>	A Tulloch
<b>Independent auditors</b>	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Solicitors</b>	TGW Law 4 Hill Street London W1J 5NE

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

The Trustees present their annual report together with the audited financial statements of the group and the charity for the period 1 November 2022 to 31 December 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**THE TRUSTEES**

The trustees who served the charity during the period and since the year end were:

S G Dontchev

I V Manoilov

P Dontchev

Y Jonev (appointed 11 February 2024)

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Dontchev Foundation is a charitable company limited by guarantee and has no share capital. In the event of a winding up, while a Member or within one year of ceasing to be a Member, the Member's liability is limited to £10. The Company was incorporated on 28 October 2003 and is governed by its Memorandum and Articles of Association. It subsequently registered as a charity on 16 April 2004.

The Memorandum and Articles of Association were updated by Special Resolution on 14 December 2022.

The Foundation is managed by a Board of Trustees supported by the Secretary.

**Related Party relationships including group structure**

The results included in the group financial statements include the results of the Charity and its subsidiaries all incorporated in Bulgaria as follows:

Entity	Description	Primary activity
Dontchev Foundation	Parent entity	To advance education and relieve poverty and to promote such purposes as are now or may hereafter be deemed by English law to be charitable
BG Shkolo EAD	100% direct subsidiary	Owning and operating educational complex and sports centre
SEGA EAD <sup>1</sup>	100% direct subsidiary	Online advertising and publishing
SEGA BG EOOD <sup>1,2</sup>	100% indirect subsidiary	Newspaper publication

<sup>1</sup> These subsidiaries were disposed of on 20 December 2023.

<sup>2</sup> The shares in this subsidiary were held by SEGA EAD and therefore was an indirect subsidiary.

**Principal risks and uncertainties and summary of plans and strategies for managing the risks**

The Trustees have considered the significant risks to which the Charity Group is exposed and have established appropriate procedures to mitigate the impact of those risks.

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

These include reputational risks, organisational risks, regulatory compliance risks and financial risks. The Board operates a Risk Register which scores specific risks within these broader categories, in terms of likelihood and impact, and details the mitigation planned and the resultant score. A range of policies and procedures have been developed which help to mitigate these risks including:

- A financial controls policy
- A grant making Policy
- Conflict of Interest Policy

**Methods used to recruit and appoint new trustees**

The Trustees may appoint a person who is willing to act as a Trustee either to fill a vacancy or as an additional Trustee provided that the appointment does not cause the number of Trustees to exceed any number fixed by or in accordance with the Articles.

**Policies adopted for the induction and training of Trustees**

The training of Trustees is determined by the governance needs of the Foundation to meet its charitable objectives. On initial appointment, new Trustees are given access to the governing document, financial information, meeting materials and essential trustee guidance from the Charity Commission.

**Organisational Structure and decision-making policies**

The Trustees are responsible for making operational, funding and strategic decisions in line with charity objectives.

The staff responsible for carrying out the day-to-day activities of the Group are supervised and supported by the Trustees.

**Arrangements for setting pay and remuneration of key management personnel**

The Trustees are not remunerated for their work and the charity has no employees.

In the subsidiaries key management remuneration is reviewed regularly and reflects market rates.

**OBJECTIVES AND ACTIVITIES**

The Charity's objects are to advance education and to relieve poverty and to promote such other causes as are now or may hereafter be deemed by English law to be charitable.

In order to achieve these objectives, the main activities undertaken have been the provision of grants to Bulgarian students attending UK universities as well as other universities abroad. The Foundation has in the past supported BG Shkolo EAD, the Charity's subsidiary (its subsidiary until 23<sup>rd</sup> December 2024), an entity which owns and operates an educational complex and sports centre.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**Strategies for achieving aims and objectives**

The Foundation is not currently in receipt of funds to allow the provision of grants or scholarships to advance education and relieve poverty however it hopes to attract further funding in the future in order to continue to achieve its objectives.

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**Criteria used to measure success**

The Trustees meet annually to assess the progress of the Charity against its objectives. Trustees agree goals and objectives for the following twelve months.

During the reporting period, the success of the charity was measured through the success of its subsidiary company Bulgarska Shkolo (BG Shkolo), a Bulgaria school complex. Bulgarska Shkolo is self- funding and has not received funds during the period to 31<sup>st</sup> December 2023 from the Foundation.

**Significant activities undertaken**

The charity operated solely to support its subsidiaries in the current year, with no charitable activities occurring during the period.

BG Shkolo continued to operate as a Bulgarian school complex, offering a variety of educational facilities including a kindergarten, primary school, junior high school, high school and a sports centre.

The charity had two additional subsidiaries during the year SEGA EAD and SEGA BG, newspaper and digital creation companies. SEGA EAD was sold on 20 December 2023 for BGN 50,000 to Overgas Holding AD which has enabled the Charity to focus on its educational objectives going forward.

**Grant Making Policies**

The Charity Trustees are keen to support activities that advance the Objects in an effective way. However, they recognise that a limited amount of funds is available to distribute each year and that the Charity is dependent on donations from Sasho Dontchev (Trustee) and companies controlled by him and the discharge of the indebtedness owed by DDI Holdings Ltd.

The Charity Trustees have ultimate responsibility for all grant-making decisions and for ensuring that all funds awarded are used to advance the Objects.

**ACHIEVEMENTS AND PERFORMANCE**

Dontchev Foundation has provided in the past support, to its wholly owned subsidiary (its subsidiary until 23<sup>rd</sup> December 2024), 'BG Shkolo' EAD, which the Foundation initially funded for the construction of the Bulgarsko Shkolo school complex, including kindergarten, primary school, junior high school, high school and a sports centre. In total, the complex educates more than 400 pupils annually. The complex has been fully operational since 2012. As at 31 December 2023 the Foundations sole subsidiary Bulgarska Shkolo is self- funding and has not received funds during the year to 31<sup>st</sup> December 2023 from the Foundation.

The charity received no income and made no grants to beneficiaries during the current or prior period. The future plans of the charity is to raise income through donations to be able to fund grant making activities.

The Foundation did not conduct any public fundraising activities during this period, and no fundraising complaints were received.

**FINANCIAL REVIEW**

During the period ended 31 December 2023 the group achieved income of BGN 6,331,000 (2022: BGN 4,596,000). Expenditure totalled BGN 5,227,000 (2022: BGN 25,743,000). Other movements in the period included a gain on disposal of subsidiaries of BGN 425,000 (2022: BGN Nil) and taxation of BGN 30,000 (2022: BGN 34,000) resulting in net movement in funds for the period of BGN 1,499,000 (2022: deficit of BGN 21,181,000).

The charity's net movement in funds for the period was a surplus of BGN 134,000 (2022: deficit of BGN 16,549,000). The year end reserves of the charity totalled £65,896,000 (2022: £65,762,000) comprising solely of unrestricted reserves.

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**Reserves Policy**

The reserves held as at 31 December 2023 totalled BGN 75,956,000 (2022: BGN 73,146,000) comprising solely of unrestricted reserves. The reserves at the year end exceed the charities reserve policy of BGN 70,000. and the charity will continue to look to fund its charitable activities through the provision of grants and scholarships.

**Going Concern**

The trustees consider that it is appropriate to prepare the financial statements on a going concern basis. In formulating this assessment the trustees have taken in to consideration the strength of available reserves and the on going support of other related entities.

**PLANS FOR FUTURE PERIODS**

The Foundation donated its shareholding in BG Shkolo EAD to Foundation Mlada Bulgaria, a Bulgarian charity, on 23<sup>rd</sup> December 2024.

The Foundation will henceforth focus on the provision of charitable grants to educational establishments and scholarships to students.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

In preparing this report, the Trustees have taken advantage of the small company exemptions provided by section 415A of Companies Act 2006.

This report was approved by the Trustees, and signed on their behalf by:

*Iavor Manoilov*

**I V Manoilov**

Trustee

Date: 30 June 2025



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DONTCHEV FOUNDATION**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**Opinion**

We have audited the financial statements of Dontchev Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DONTCHEV FOUNDATION (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DONTCHEV FOUNDATION (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - o the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.
- Discussions between the engagement team and component auditors concerning work undertaken in relation to identifying and assessing risks of irregularities and noncompliance with laws at component levels.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act, Charities SORP 2019 and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities including fraud were in respect of valuation of investment property, income recognition, debtors recoverability and opening balances. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of recoverability for debtor balances held at the year end.
- In review of management's estimate of investment property valuation: consideration of potential bias within

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DONTCHEV FOUNDATION (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

the valuation; review of the underlying assumptions and estimates used in determining the fair value; and review of third party valuation reports where valuations are based on this;

- Reviewing contracts with customers and recalculating income on a sample basis;
- Reviewing opening balances on sample basis and agreeing to supporting third party documentation; Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations;
- Enquiring with component auditors in respect of audit work undertaken in respect of areas susceptible to misstatements due to fraud including revenue recognition, investment property valuation and management override of controls.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Other matters**

We draw your attention to the fact that the consolidated and stand alone charity financial statements for the year ended 31 October 2022 were not audited.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Hazra Patel*

**Hazra Patel (Senior Statutory Auditor)**

for and on behalf of

**Lubbock Fine LLP**

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 30 June 2025

**DONTCHEV FOUNDATION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 BGN'000	Total funds 2023 BGN'000	Unaudited Total funds 2022 BGN'000
<b>Income from:</b>				
Income generated by subsidiaries	3	6,331	6,331	4,596
<b>Total income</b>		<u>6,331</u>	<u>6,331</u>	<u>4,596</u>
<b>Expenditure on:</b>				
Expenditure incurred by Subsidiaries	5	5,361	5,361	4,573
Charitable expenditure	4	(134)	(134)	21,170
<b>Total expenditure</b>		<u>5,227</u>	<u>5,227</u>	<u>25,743</u>
<b>Net income/(expenditure) before net gains on investments</b>		<u>1,104</u>	<u>1,104</u>	<u>(21,147)</u>
Gain on disposal of investments		425	425	-
<b>Net income/(expenditure) before taxation</b>		<u>1,529</u>	<u>1,529</u>	<u>(21,147)</u>
Taxation		(30)	(30)	(34)
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>1,499</u>	<u>1,499</u>	<u>(21,181)</u>
<b>Other recognised gains/(losses):</b>				
Gains on revaluation of fixed assets		1,320	1,320	-
Foreign exchange gain resulting from change of presentational currency		-	-	4,621
<b>Net movement in funds</b>		<u>2,819</u>	<u>2,819</u>	<u>(16,560)</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward		73,136	73,136	89,696
Net movement in funds		2,819	2,819	(16,560)
<b>Total funds carried forward</b>		<u>75,955</u>	<u>75,955</u>	<u>73,136</u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 16 to 44 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET**

**AS AT 31 DECEMBER 2023**

	<b>Note</b>	<b>31 December 2023 BGN'000</b>	<b>Unaudited 31 October 2022 BGN'000</b>
<b>Fixed assets</b>			
Intangible assets	10	-	25
Tangible assets	11	1,678	1,752
Investment property	12	24,996	23,639
		<u>26,674</u>	<u>25,416</u>
<b>Current assets</b>			
Stocks	14	10	3
Debtors	15	54,580	54,894
Cash at bank and in hand		35	302
		<u>54,625</u>	<u>55,199</u>
Creditors: amounts falling due within one year	16	(1,423)	(2,687)
<b>Net current assets</b>		<u>53,202</u>	<u>52,512</u>
<b>Total assets less current liabilities</b>		<u>79,876</u>	<u>77,928</u>
Creditors: amounts falling due after more than one year	17	(3,910)	(4,792)
Provisions for liabilities	18	(10)	-
<b>Total net assets</b>		<u><u>75,956</u></u>	<u><u>73,136</u></u>
<b>Charity funds</b>			
Restricted funds	20	-	-
Unrestricted funds	20	75,956	73,136
<b>Total funds</b>		<u><u>75,956</u></u>	<u><u>73,136</u></u>

**DONTCHEV FOUNDATION**

**(A Company Limited by Guarantee)**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2023**

---

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Ivor Manoilov*

**I V Manoilov**

Trustee

Date: 30 June 2025

The notes on pages 16 to 44 form part of these financial statements.

**DONTCHEV FOUNDATION**  
(A Company Limited by Guarantee)

**BALANCE SHEET**

**REGISTERED NUMBER: 04946116**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	<b>Note</b>	<b>31 December 2023 BGN'000</b>	<b>Unaudited As restated 31 October 2022 BGN'000</b>
<b>Fixed assets</b>			
Investments	13	12,510	12,560
<b>Current assets</b>			
Debtors	15	53,485	53,204
Creditors: amounts falling due within one year	16	(99)	(2)
<b>Net current assets</b>		<u>53,386</u>	<u>53,202</u>
<b>Total net assets</b>		<u><u>65,896</u></u>	<u><u>65,762</u></u>
<b>Charity funds</b>			
Restricted funds	20	-	-
Unrestricted funds	20	65,896	65,762
<b>Total funds</b>		<u><u>65,896</u></u>	<u><u>65,762</u></u>

The charity's net movement in funds for the period was a surplus of BGN 134,000 (2022 - deficit BGN 16,549,000).

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Iavor Manoilov*

**I V Manoilov**

Trustee

Date: 30 June 2025

The notes on pages 16 to 44 form part of these financial statements.



**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	<b>2023</b> <b>BGN'000</b>	<b>Unaudited</b> <b>2022</b> <b>BGN'000</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	993	104
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of investment property additions	(37)	-
Purchase of tangible fixed assets	(341)	(116)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	(378)	(116)
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	(729)	(379)
Interest paid	(153)	(170)
	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	(882)	(549)
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the period</b>	(267)	(561)
Cash and cash equivalents at the beginning of the period	302	863
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>	35	302
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 16 to 44 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**1. Accounting policies**

**1.1 General information**

The Charity is a public benefit entity and a private company limited by guarantee, incorporated in England and Wales and has no share capital. The charity is registered in England and Wales.

The address of the registered office and principal place of business is 4 Hill Street, London, W1J 5NE. The principal activity of the charity is that of providing grants to students.

The charity owned three trading subsidiaries during the period ended 31 October 2022, which consisted of two newspaper and digital creation companies which were disposed of during the period and a company which rented a school building and held other educational classes.

The Charity and Group's functional and presentational currency is Bulgarian Lev (BGN), the financial statements are rounded to the nearest BGN'000.

The Charity's and Group's current accounting period represents 14 months from 1 November 2022 to 31 December 2023, as such the comparative period is not entirely comparable. The accounting period of the parent charity was changed to match that of the subsidiaries.

**1.2 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Dontchev Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated financial statements present the results of the Charity and its own subsidiaries ("the Group") as if they form a single entity. The results of the subsidiaries are consolidated on a line by line basis. Intercompany transactions and balances between group companies are therefore eliminated in full.

The Charity accounts are prepared in accordance with FRS 102 and Charities SORP (FRS 102) and the Companies Act. The accounts of the subsidiaries are prepared under IFRS and adjustments have been made to align the financials with the accounting policies of the group.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

# **DONTCHEV FOUNDATION**

**(A Company Limited by Guarantee)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

### **1. Accounting policies (continued)**

#### **1.3 Basis of consolidation**

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Financial Activities from the date on which control is obtained. The results are deconsolidated from the date control ceases.

The reporting periods of the subsidiaries have been amended to match that of the parent entity Dontchev Foundation. The subsidiaries accounting periods were from 1 January 2023 to 31 December 2023 and comparative period from 1 January 2022 to 31 December 2022. These periods have been amended to 1 November 2022 to 31 December 2023 and comparative period 1 November 2021 to 31 October 2022.

On 20th December 2023, the Charity disposed of its 100% shareholding in Sega EAD, and by virtue its 100% shareholding in Sega BG EOOD. From this date, the results of Sega EAD and Sega BG EOOD are no longer included within the Consolidated Statement of Financial Activities or Consolidated Statement of Financial Position.

#### **1.4 Going concern**

The trustees consider that it is appropriate to prepare the financial statements on a going concern basis. In formulating this assessment the trustees have taken in to consideration the strength of available reserves and the on going support of other related entities.

#### **1.5 Foreign currency translation**

##### **Functional and presentation currency**

The Charity's functional and presentational currency is BGN.

The presentational currency of the charity has been changed from Sterling (GBP) in the prior period to BGN on the basis that the charity and its subsidiaries are situated in and operate in Bulgaria. The impact of the translation has resulted in an other comprehensive gain of BGN 4,621,000.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised the Statement of Financial Activities.

#### **1.6 Company status**

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member.

**1. Accounting policies (continued)**

**1.7 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**Income from subsidiaries**

Income from subsidiaries represents income received from advertising and publishing electronic media, creation of newspaper content and income from education and sports complex.

**Rendering of services**

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of income can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**Rental income**

Rental income is recognised on a straight line basis over the term of the lease. Any rent incentive or rent free period given is spread over the period of the lease.

**Sale of Goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**1. Accounting policies (continued)**

**1.8 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity.

Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**1.9 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**1. Accounting policies (continued)**

**1.10 Taxation**

**Charity**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Subsidiaries**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**1.11 Intangible assets and amortisation**

Intangible assets costing BGN'500 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**1. Accounting policies (continued)**

**1.11 Intangible assets and amortisation (continued)**

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following bases:

Other intangibles	- 10 % - 15%
Trademarks	- 10 % - 15%
Computer software	- 50 %

**1.12 Tangible fixed assets and depreciation**

Tangible fixed assets costing BGN'NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant and machinery	- 3-4 years
Motor vehicles	- 3-4 years
Fixtures and fittings	- 5 years
Office equipment	- 3-4 years
Other fixed assets	- 6-7 years

**1.13 Investment property**

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Financial Activity.

**1. Accounting policies (continued)**

**1.14 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

**1.15 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.16 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.17 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.18 Liabilities**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.



**1. Accounting policies (continued)**

**1.19 Financial instruments**

The Group has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables and bank loans are measured at their transaction price after transaction costs.

When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

**1. Accounting policies (continued)**

**1.19 Financial instruments (continued)**

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**Derecognition of financial instruments**

**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

**1.20 Operating leases**

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

**1.21 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

*Investments in subsidiaries*

Included in the Charity Balance Sheet are investments in subsidiaries. These investments are reviewed for impairment annually and if the carrying amount of the investment exceeds the subsidiaries net asset value, an impairment charge is recognised in the Charity's Statement of Financial Activities.

As at 31 December 2023, the investment in subsidiaries within the Charity balance sheet of BGN 12,510,000 was impaired down to a carrying amount of BGN 9,703,000.

*Impairment of related party debtor balances*

Included in both the Consolidated Balance Sheet and the Charity Balance Sheet are amounts advanced to various related parties. Where an indicator exists that these amounts are not fully recoverable, a bad debt provision is recognised in the Statement of Financial Activities to reduce the carrying amount of these debtors to their estimated recoverable amount.

As at 31 December 2023, no impairment provision against an amount due from a related party outside of the Group has been recognised.

**3. Income generated from subsidiaries**

	<b>Unrestricted funds 2023</b>	<b>Total funds 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Other income	64	64
Revenue from publication services	3,205	3,205
Income from creation of newspaper content	-	-
Income from rental of school building	1,754	1,754
Income from sports and educational classes held	1,073	1,073
Income from the sale of food and beverages and other materials	130	130
Income from the sale of newspapers and other related products	-	-
Revenue from the provision of administrative and financial services	105	105
	<u>6,331</u>	<u>6,331</u>

**DONTCHEV FOUNDATION****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 DECEMBER 2023****3. Income generated from subsidiaries (continued)**

	<b>Unaudited Unrestricted funds 2022</b>	<b>Unaudited Total funds 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Other income	109	109
Revenue from publication services	1,834	1,834
Income from creation of newspaper content	119	119
Income from rental of school building	1,515	1,515
Income from sports and educational classes held	679	679
Income from the sale of food and beverages and other materials	113	113
Income from the sale of newspapers and other related products	171	171
Revenue from the provision of administrative and financial services	56	56
	<u>4,596</u>	<u>4,596</u>

**4. Charitable expenditure**

	<b>Unrestricted funds 2023</b>	<b>Total funds 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Governance costs - auditors remuneration	96	96
Support costs - accountancy fees	4	4
Support costs - foreign exchange gain	(234)	(234)
	<u>(134)</u>	<u>(134)</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**4. Charitable expenditure (continued)**

	<b>Unaudited Unrestricted funds 2022</b>	<b>Unaudited Total funds 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Support costs - provision for doubtful debts	21,192	21,192
Support costs - accountancy fees	3	3
Support costs - foreign exchange gain	(25)	(25)
	<u>21,170</u>	<u>21,170</u>

**5. Analysis of subsidiary activities**

**Summary by fund type**

	<b>Unrestricted funds 2023</b>	<b>Total 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Costs relating to advertising and publishing electronic media	1,727	1,727
Costs relating to creation of newspaper content	1,207	1,207
Costs relating to education and sports complex	2,427	2,427
	<u>5,361</u>	<u>5,361</u>

	<b>Unaudited Unrestricted funds 2022</b>	<b>Unaudited Total 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Costs relating to advertising and publishing electronic media	1,668	1,668
Costs relating to creation of newspaper content	979	979
Costs relating to education and sports complex	1,926	1,926
	<u>4,573</u>	<u>4,573</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**6. Analysis of expenditure by activities**

	<b>Subsidiary Activities undertaken directly 2023</b>	<b>Subsidiary Support costs 2023</b>	<b>Total funds 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Costs relating to advertising and publishing electronic media	1,561	166	1,727
Costs relating to creation of newspaper content	1,158	49	1,207
Costs relating to education and sports complex	1,824	603	2,427
	<u>4,543</u>	<u>818</u>	<u>5,361</u>

	<b>Unaudited Subsidiary Activities undertaken directly 2022</b>	<b>Unaudited Subsidiary Support costs 2022</b>	<b>Unaudited Total funds 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Costs relating to advertising and publishing electronic media	1,575	93	1,668
Costs relating to creation of newspaper content	945	34	979
Costs relating to education and sports complex	1,545	381	1,926
	<u>4,065</u>	<u>508</u>	<u>4,573</u>

**Analysis of subsidiary direct costs**

	<b>Advertising and publishing electronic media 2023</b>	<b>Creation of newspaper content 2023</b>	<b>Education and sports complex 2023</b>	<b>Total funds 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Staff costs	146	1,026	620	1,792
Cost of materials	15	-	402	417
Cost of external services	1,400	132	802	2,334
	<u>1,561</u>	<u>1,158</u>	<u>1,824</u>	<u>4,543</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**6. Analysis of expenditure by activities (continued)**

(continued)

	<b>Unaudited Advertising and publishing electronic media 2022</b>	<b>Unaudited Creation of newspaper content 2022</b>	<b>Unaudited Education and sports complex 2022</b>	<b>Unaudited Total funds 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Staff costs	181	848	419	1,448
Cost of materials	6	-	450	456
Cost of external services	1,388	98	675	2,161
	<u>1,575</u>	<u>946</u>	<u>1,544</u>	<u>4,065</u>

Analysis of subsidiary support costs

	<b>Advertising and publishing electronic media 2023</b>	<b>Creation of newspaper content 2023</b>	<b>Education and sports complex 2023</b>	<b>Total funds 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Interest expense	4	-	253	257
Depreciation	93	4	179	276
Other expenses	1	11	81	93
Rental expense	68	34	-	102
Provision for doubtful debts	-	-	89	89
	<u>166</u>	<u>49</u>	<u>602</u>	<u>817</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**6. Analysis of expenditure by activities (continued)**

(continued)

	Unaudited Advertising and publishing electronic media 2022	Unaudited Creation of newspaper content 2022	Unaudited Education and sports complex 2022	Unaudited Total funds 2022
	BGN'000	BGN'000	BGN'000	BGN'000
Interest expense	3	-	193	196
Depreciation	20	6	180	206
Other expenses	20	1	8	29
Foreign exchange gain	50	27	-	77
	<u>93</u>	<u>34</u>	<u>381</u>	<u>508</u>

**7. Auditors' remuneration**

	2023 BGN'000	Unaudited 2022 BGN'000
Fees payable to the charity's auditor for the audit of the group's annual accounts	96	-

**8. Staff costs**

	Group 2023 BGN'000	Unaudited Group 2022 BGN'000
Wages and salaries	1,532	1,231
Social security costs	261	217
	<u>1,793</u>	<u>1,448</u>

The average number of persons employed by the charity during the period was as follows:

	Group 2023 No.	Group 2022 No.
Average number of employees	44	75



**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**8. Staff costs (continued)**

No employee received remuneration amounting to more than £60,000/BGN 135,000 in either year.

The key management personnel of the group comprise of the Executive Director and members of the board of directors whose remuneration totalled BGN 150,386 for the period.

**9. Trustees' remuneration and expenses**

During the period, no Trustees received any remuneration or other benefits (2022 - BGN'NIL).

During the period ended 31 December 2023, no Trustee expenses have been incurred (2022 - BGN'NIL).

**10. Intangible assets**

**Group**

	<b>Patents BGN'000</b>	<b>Trademarks BGN'000</b>	<b>Computer software BGN'000</b>	<b>Total BGN'000</b>
At 1 November 2022	51	2	-	53
Additions	-	-	170	170
On disposal of subsidiaries	(51)	(2)	(170)	(223)
At 31 December 2023	-	-	-	-
At 1 November 2022	26	2	-	28
Charge for the year	12	-	78	90
On disposal of subsidiaries	(38)	(2)	(78)	(118)
At 31 December 2023	-	-	-	-
<b>Net book value</b>				
At 31 December 2023	-	-	-	-
At 31 October 2022	25	-	-	25

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**11. Tangible fixed assets**

**Group**

	<b>Plant and machinery BGN'000</b>	<b>Motor vehicles BGN'000</b>	<b>Fixtures and fittings BGN'000</b>	<b>Office equipment BGN'000</b>	<b>Other fixed assets BGN'000</b>	<b>Total BGN'000</b>
<b>Cost or valuation</b>						
At 1 November 2022 (unaudited)	3,011	39	1,427	31	5	4,513
Additions	21	-	106	44	-	171
Disposals	-	-	-	-	(5)	(5)
On disposal of subsidiaries	(35)	(32)	-	(75)	-	(142)
At 31 December 2023	<u>2,997</u>	<u>7</u>	<u>1,533</u>	<u>-</u>	<u>-</u>	<u>4,537</u>
<b>Depreciation</b>						
At 1 November 2022 (unaudited)	1,373	23	1,338	28	-	2,762
Charge for the period	140	6	38	5	-	189
On disposal of subsidiaries	(31)	(27)	-	(33)	-	(91)
At 31 December 2023	<u>1,482</u>	<u>2</u>	<u>1,376</u>	<u>-</u>	<u>-</u>	<u>2,860</u>
<b>Net book value</b>						
At 31 December 2023	<u>1,515</u>	<u>5</u>	<u>157</u>	<u>-</u>	<u>-</u>	<u>1,677</u>
At 31 October 2022 (unaudited)	<u>1,638</u>	<u>16</u>	<u>90</u>	<u>3</u>	<u>5</u>	<u>1,752</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**12. Investment property**

**Group**

	<b>Freehold investment property BGN'000</b>
<b>Valuation</b>	
At 1 November 2022 (unaudited)	23,639
Additions	37
Surplus on revaluation	1,320
	<hr/>
At 31 December 2023	<hr/> <hr/> 24,996

The investment properties were revalued at 31 December 2023 by the directors, on an open market basis.

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**13. Fixed asset investments**

	<b>As restated Investments in subsidiary companies BGN'000</b>
Charity	
<b>Cost or valuation</b>	
At 1 November 2022 (unaudited)	12,560
At 1 November 2022 (unaudited)	12,560
Disposals	(50)
At 31 December 2023	12,510
<b>Net book value</b>	
At 31 December 2023	12,510
At 31 October 2022 (unaudited)	12,560

**Principal subsidiaries**

The following were subsidiary undertakings of the charity:

<b>Names</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Class of shares</b>	<b>Holding</b>
BG Shkolo EAD	201405530	Sofia, Str. "Filip Kutev", no 1	Ordinary	100%
Sega EAD	831770996	Sofia, Poduyane district, Evlogi blvd Hristo Georgievi, no 169	Ordinary	100%
Sega BG EOOD*	205375223	Sofia, Str. "Filip Kutev", no 1	Ordinary	100%

**DONTCHEV FOUNDATION****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 DECEMBER 2023****13. Fixed asset investments (continued)**

The financial results of the subsidiaries for the period were:

<b>Names</b>	<b>Income BGN'000</b>	<b>Expenditure BGN'000</b>	<b>Profit/(Loss) for the period BGN'000</b>
BG Shkolo EAD	3,153	1,134	2,019
Sega EAD	3,406	3,368	38
Sega BG EOOD*	1,294	1,362	(68)

These subsidiaries were held indirectly by the Charity.

On 20th December 2023, the Charity disposed of it's 100% shareholding in Sega EAD, and by virtue its 100% shareholding in Sega BG EOOD.

**14. Stocks**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
Finished goods and goods for resale	10	3

**15. Debtors**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>	<b>Charity 31 December 2023 BGN'000</b>	<b>Charity Unaudited 31 October 2022 BGN'000</b>
<b>Due after more than one year</b>				
Deferred Tax	299	354	-	-
	<u>299</u>	<u>354</u>	<u>-</u>	<u>-</u>
<b>Due within one year</b>				
Trade debtors	332	471	-	-
Other debtors	53,948	53,690	53,485	53,204
Prepayments and accrued income	-	379	-	-
	<u>54,579</u>	<u>54,894</u>	<u>53,485</u>	<u>53,204</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**15. Debtors (continued)**

**Deferred Tax**

As at the 31 December 2023 the deferred tax asset has arisen on the carried forward losses arising within the subsidiary held at the balance sheet date.

Of the movement in the year of BGN 55,000, BGN 25,000 is in relation to the disposal of the balances held within the subsidiaries sold during the year and the remaining BGN 30,000 is the movement in the asset in the remaining subsidiary. There is no specific expiry date on the unused tax losses, and they have been capitalised on the basis that the company will be profitable in subsequent periods. No other movements in income tax during the year.

Included within trade debtors is a provision for doubtful debts BGN 127,000 (2022: BGN 78,000).

**16. Creditors: Amounts falling due within one year**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>	<b>Charity 31 December 2023 BGN'000</b>	<b>Charity Unaudited 31 October 2022 BGN'000</b>
Bank loans	923	923	-	-
Trade creditors	65	32	-	-
Other taxation and social security	65	182	-	-
Other creditors	272	1,127	-	-
Accruals and deferred income	98	423	99	2
	<u>1,423</u>	<u>2,687</u>	<u>99</u>	<u>2</u>
			<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
Deferred income at 1 November 2022			420	-
Resources deferred during the period			-	420
Amounts released from previous periods			(420)	-
			<u>-</u>	<u>420</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**17. Creditors: Amounts falling due after more than one year**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
Bank loans	3,910	4,792
	<u>3,910</u>	<u>4,792</u>

Included within the above are amounts falling due as follows:

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
<b>Between one and two years</b>		
Bank loans	3,910	4,792
	<u>3,910</u>	<u>4,792</u>

The loan is secured on the investment property held by BG Shkolo EAD.

**18. Provisions**

**Group and charity**

	<b>Other provision BGN'000</b>
Additions	10
	<u>10</u>
	<u>10</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**19. Financial instruments**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group 31 October 2022 BGN'000</b>
<b>Financial assets</b>		
Financial assets measured at cost	54,479	54,847
	<u>54,479</u>	<u>54,847</u>
	<b>Group 31 December 2023 BGN'000</b>	<b>Group 31 October 2022 BGN'000</b>
<b>Financial liabilities</b>		
Derivative financial instruments measured at fair value through income and expenditure held as part of a trading portfolio	5,268	6,875
	<u>5,268</u>	<u>6,875</u>

Financial assets comprise of trade debtors, amounts owed from related parties, and accrued income.

Financial liabilities comprise of trade creditors, bank loans, other creditors and accruals.



**DONTCHEV FOUNDATION****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 DECEMBER 2023****20. Statement of funds****Statement of funds - current period**

	Balance at 1 November 2022 BGN'000	Income BGN'000	Expenditure BGN'000	Taxation BGN'000	Gains/ (Losses) BGN'000	Balance at 31 December 2023 BGN'000
<b>Unrestricted funds</b>						
General Funds	73,136	6,331	(5,227)	(30)	1,746	75,956

**Statement of funds - prior period**

	Unaudited As restated Balance at 1 November 2021 BGN'000	Unaudited Income BGN'000	Unaudited Expenditure BGN'000	Unaudited Taxation BGN'000	Unaudited Gains/(Losses) BGN'000	Unaudited Balance at 31 October 2022 BGN'000
<b>Unrestricted funds</b>						
General Funds	89,696	4,596	(25,743)	(34)	4,621	73,136

The funds held by the charity as at 31 December 2023 totalled BGN 63,809,175 (31 October 2022 - BGN 62,955,130).

**DONTCHEV FOUNDATION****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 DECEMBER 2023****21. Analysis of net assets between funds****Analysis of net assets between funds - current period**

	<b>Unrestricted funds 31 December 2023</b>	<b>Total funds 31 December 2023</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Tangible fixed assets	1,678	1,678
Investment property	24,996	24,996
Debtors due after more than one year	299	299
Current assets	54,325	54,325
Creditors due within one year	(1,423)	(1,423)
Creditors due in more than one year	(3,910)	(3,910)
Provisions for liabilities and charges	(10)	(10)
<b>Total</b>	<b>75,956</b>	<b>75,956</b>

**Analysis of net assets between funds - prior period**

	<b>Unrestricted funds 31 October 2022</b>	<b>Total funds 31 October 2022</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Tangible fixed assets	1,752	1,752
Intangible fixed assets	25	25
Investment property	23,639	23,639
Debtors due after more than one year	354	354
Current assets	54,845	54,845
Creditors due within one year	(2,687)	(2,687)
Creditors due in more than one year	(4,792)	(4,792)
<b>Total</b>	<b>73,136</b>	<b>73,136</b>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**22. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
Net income/expenditure for the period (as per Statement of Financial Activities)	1,499	(21,181)
<b>Adjustments for:</b>		
Depreciation charges	276	206
Gain on disposal from disposal of subsidiary	(425)	-
Bad debt provision	89	21,192
Decrease / (increase) in stocks	7	(6)
Decrease / (increase) in debtors	314	(846)
(Increase) / decrease in creditors	(830)	502
Tax charge	30	34
Increase in provision	10	-
Foreign exchange gain	(234)	52
Interest expense	257	193
Payment of corporation tax	-	(42)
<b>Net cash provided by operating activities</b>	<b>993</b>	<b>104</b>

**23. Analysis of cash and cash equivalents**

	<b>Group 31 December 2023 BGN'000</b>	<b>Group Unaudited 31 October 2022 BGN'000</b>
Cash in hand	35	302
<b>Total cash and cash equivalents</b>	<b>35</b>	<b>302</b>

**DONTCHEV FOUNDATION****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**24. Analysis of changes in net debt**

	<b>At 1 November 2022 BGN'000</b>	<b>Cash flows BGN'000</b>	<b>At 31 December 2023 BGN'000</b>
Cash at bank and in hand	302	(267)	35
Debt due within 1 year	(923)	-	(923)
Debt due after 1 year	(4,792)	882	(3,910)
	<u>(5,413)</u>	<u>615</u>	<u>(4,798)</u>

**DONTCHEV FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

**25. Related party transactions**

As at 31 December 2023 the balance due from DDI Holdings Limited to the Dontchev Foundation was BGN 53,435,450. DDI Holdings Limited is a company in which Sasho Donchev is a director. No other related party transactions occurred within the parent entity.

The transactions with related parties below are balances with other related parties included in the subsidiaries of the Dontchev Foundation. They are considered related parties due to a common trustee/director. All balances payable/receivable are interest free and repayable on demand.

	Balances receivable as at 31 December 2023 BGN'000	Balances payable as at 31 December 2023 BGN'000	Sales for the period ended 31 December 2023 BGN'000	Purchases for the period ended 31 December 2023 BGN'000
Overgaz Engineering JSC	4	-	76	-
Renaissance	-	14	-	98
Overgaz Holding	-	7	-	35
ChSU Bulgarian School	214	-	1,498	-
Sunny Bunny/CHDG Small School	56	-	414	-
Denka	1	-	65	7
Overgaz Networks	54	72	300	300
Overgaz Capital	430	256	23	14
Overgaz Inc	383	-	2,866	-
OG Trans AD	-	1	-	10
Methodiya AD	-	1	-	16
Methodia Web Limited	91	25	19	1,291
Vestitel BG AD	52	1	-	10
Overgaz Direct	-	-	309	-
Overgaz Technik	-	-	2	-
Dee Dee Management AD	-	-	-	1
OU G security	-	28	-	353
	<u>1,285</u>	<u>405</u>	<u>5,572</u>	<u>2,135</u>

**26. Prior period adjustments**

A prior period adjustment has been processed to recognise a historic donation of shares in the Dontchev Foundation. The impact of the adjustment is to increase investments in subsidiaries in the parent charity balance sheet by BGN 2,868,000 and a corresponding increase in unrestricted reserves of BGN 2,868,000 as at 31 October 2022.

**DONTCHEV FOUNDATION**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2023**

---

**27. Post balance sheet events**

On 23 December 2024 the sole subsidiary of the Dontchev Foundation, BG Shkolo EAD was donated to Foundation M, a charity registered in Bulgaria for nil proceeds, after which the charity no longer hold any investments in subsidiaries.